

**NEWS RELEASE
FOR IMMEDIATE RELEASE
January 31, 2001**

**Contact: Lisa Yoder (801) 538-8767
Energy Hotline 1-800-662-3633**

State Offers Tax-Breaks, Low-Interest Loans and Grants for Using Alternative Fuel Vehicles

Did you know financial incentives are available for purchasing alternative fuel vehicles (AFV)? The State of Utah offers tax credits, loans, and grants to businesses, individuals, and government entities to reduce the cost of purchasing AFVs.

AFVs help reduce air pollution because they run on fuels that are cleaner than gasoline. AFV engines are fueled by compressed natural gas, propane, methanol, ethanol, and bio-diesel power, which reduce emissions. In addition to lowering emissions, purchasing locally supplied alternative fuels decreases our reliance on petroleum imports.

AFVs are available in a variety of models from small to luxury sedans, light, medium and heavy-duty pick-up trucks, cargo and passenger vans...ask your local car dealer about the options.

Low-Interest Loans

Low interest loans are available to qualifying businesses, and interest-free loans are available to state agencies, schools, public transit authorities. The loans apply towards the incremental cost of purchasing or leasing a new factory built vehicle, converting a vehicle to a clean fuel, and the actual cost of refueling equipment. For more information, call the Office of Energy Services Hotline at 1-800-662-3633.

Grants

Grants are available to businesses and government agencies for up to 50 percent of the incremental cost of purchasing or leasing a new vehicle, and/or converting a vehicle to run on a clean fuel. (The amount of a grant will be reduced by the amount of AFV state tax credit taken.) For information on grants, call 1-800-662-3633.

-more-

Tax Credit

The state offers an income tax credit of up to \$3,000 on alternative fuel vehicles purchased after January 1, 2001. (The Division of Air Quality determines if a vehicle qualifies under the Clean Air Act and State Rule R307-127. The Utah State Tax Commission determines the amount of the tax credit.)

Save on Fuel Tax!

Drivers of AFV's that run on compressed natural gas (CNG) are eligible for a "Clean Fuel Tax Exemption Certificate." The certificate, available for an annual fee of \$47, reduces the amount of state fuel tax paid at the pump by a variable percentage. Right now, consumers save almost 25 cents per gallon! Contact the Research Department of the Utah State Tax Commission at 801-297-7705 to purchase the certificate and to ask about tax credits.

Fuel-up Across the State!

Utah boasts the third largest compressed natural gas infrastructure in the country! CNG fueling stations are located along the north-south corridor from Logan to St. George. For information on CNG fueling stations, call the Energy Hotline at 1-800-662-3633.

Propane is also widely available in most areas during normal business hours. Plans are underway to develop four ethanol stations in the Salt Lake Valley by 2002.

The Utah Office of Energy Services (OES) manages energy efficiency programs under the Utah Department of Community and Economic Development. OES provides information and technical assistance to Utah citizens and funding to qualified business and government projects that implement energy-reducing technologies.

#